FRANKLIN TEMPLETON | ROYCE Investment Partners

Royce Premier Portfolios

Separately Managed Accounts Factsheet | as of June 30, 2026

Investment overview

Royce Premier Portfolios seek long-term capital appreciation by investing in what Royce considers to be "premier" small-cap companies — those with market caps that are less than the largest stock in the Russell 2000® Index and exhibit what Royce believes are discernible competitive advantages, high returns on capital, and a sustainable, moat-like franchise.

Investment objective

Seeks:
Long-term capital appreciation

Investment philosophy

Royce Premier Portfolios focus on:

- Leading companies with a consistent history of superior profitability
- Moat-like franchises with sustainable competitive advantages
- Quality businesses that can generate excess cash flow with favorable prospects
- Stocks selling at valuations that we believe do not fully reflect their business prospects

Key differentiators

- Managed with a consistent investment discipline since 1991.
- Focuses on leading quality companies with favorable prospects that we believe are selling at attractive valuations.
- Managed by Royce Investment Partners, a small-cap specialist.

Management team

A pioneer in small-cap investing, Royce has unparalleled knowledge and experience in the asset class. Our talented group of managers offers distinct investment approaches that meet a variety of investors' goals.

Investment management team

Lauren Romeo, CFA
Principal
Co-Lead Portfolio Manager
Industry since 1993

Steven McBoyle
Principal
Co-Lead Portfolio Manager
Industry since 1991

Andrew Palen
Assistant Portfolio Manager
Industry since 2007

[1] A "moat-like franchise" refers to a company with significant competitive advantages (e.g. barriers to entry, ability to set prices that enable them to potentially generate superior returns over the long term.

NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

Investment process

STEP 1

Idea generation

True bottom-up investment process using comprehensive fundamental analysis with three primary emphases:

- Sustainable Franchises. Focus on companies with durable competitive advantages operating in favorable industry ecosystem.
- Strong Capital Allocators. Focus on company management with disciplined capital allocation history.
- Attractive Reinvestment Prospects. Focus on companies with opportunities to reinvest with solid returns.

STEP 2

Portfolio construction

The managers carefully consider sector concentration, diversification, position sizing, and cash holdings in constructing the portfolio.

- Sectors. No more than 40% in one sector to avoid concentration risk.
- Diversification. Generally, allocates among 50-70 holdings.
- Positions. Individual positions typically do not exceed 4% of net assets.

STEP 3

Ongoing monitoring

- The managers will reduce positions if the managers identify better risk/reward potential or if they determine business momentum is decelerating.
- The managers will exit a position if they lose confidence in the business model or if the company is acquired.

The investment process may change over time. The characteristics set forth above are intended as a general illustration of some of the criteria the strategy team considers in selecting securities for client portfolios. There is no guarantee that investment objectives will be achieved.

Portfolio Information‡

As of June 30, 2026

Top Ten Holdings (%)

	Portfolio
MKS Inc	4.67
Arcosa Inc	3.90
JBT Marel Corp	3.66
RBC Bearings Inc	3.50
Quaker Chemical Corp	3.46
RB Global Inc	3.21
FirstService Corp	3.20
Littelfuse Inc	3.01
Reliance Inc	2.90
ESCO Technologies Inc	2.86
Total	**34.37**

Sector Weightings (%)

	Portfolio	BM
Industrials	41.59	14.91
Information Technology	16.81	14.31
Consumer Discretionary	9.98	9.41
Financials	9.34	18.56
Materials	7.74	4.25
Real Estate	5.28	5.77
Consumer Staples	2.74	1.96
Health Care	1.62	20.00
Energy	0.00	5.74
Utilities	0.00	2.68
Communication Services	0.00	2.42
Cash & Cash Equivalents	4.91	0.00

Market Capitalization (%)

	Portfolio	BM
<3 Billion	9.22	40.64
3-10 Billion	52.66	55.35
10-25 Billion	30.95	4.01
25-50 Billion	7.17	0.00

Characteristics

	Portfolio	BM
Number of Issuers	49	1,975
Estimated 3-5 Year EPS Growth	14.94%	14.69%
Price to Earnings (12-Month Forward)	23.02x	16.29x
Price to Book	5.73x	3.39x
Dividend Yield*	0.87%	1.19%
Median Market Cap (Millions USD)	$7,547	$3,664
Weighted Average Market Capitalization (Millions USD)	$10,346	$4,120

Dividend Yield is calculated without the deduction of fees and expenses.

‡ Source: FactSet. Portfolio characteristics listed are based on representative accounts and assumes no withdrawals, contributions or client-imposed restrictions. Portfolio characteristics of individual client accounts may differ from those of the representative accounts as a result of account size, client-imposed restrictions, the timing of client investments, market conditions, contributions, withdrawals and other factors.

Performance

Annualized Rates of Return – Pure Gross and Net of Fees (%) as of June 30, 2026 – PRELIMINARY

	1 Mth	3 Mths	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	15 Year	20 Year	25 Yrs
Premier –Pure Gross of Fees—(USD)	7.97	20.46	26.61	35.70	14.30	9.12	12.11	13.66	10.85	10.69	11.66
Premier –Net of Fees—(USD)	7.71	19.56	24.74	31.68	10.91	5.87	8.78	10.29	7.56	7.41	8.36
Russell 2000 Index—(USD)	3.74	21.49	22.57	40.78	18.60	6.98	11.34	11.62	10.52	8.88	8.80

Calendar-Year Total Returns – Pure Gross and Net of Fees (%) ending December 31

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Premier –Pure Gross of Fees—(USD)	5.69	4.02	22.49	-15.34	19.62	15.87	35.70	-8.87	25.21	24.43
Premier –Net of Fees—(USD)	2.53	0.94	18.86	-17.87	16.09	12.44	31.68	-11.57	21.51	20.75
Russell 2000 Index—(USD)	12.81	11.54	16.93	-20.44	14.82	19.96	25.52	-11.01	14.65	21.31

The strategy returns shown are preliminary composite returns, subject to future revision (downward or upward). Past performance is not a guarantee of future results. An investment in this strategy can lose value. Please visit www.franklintempleton.com for the latest performance figures. Investors cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges.

[1] **Fees:** Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns is reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios) which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

For fee schedules, contact your financial professional, or if you enter into an agreement directly with Franklin Templeton Private Portfolio Group, LLC ("FTPPG"), refer to FTPPG's Form ADV Part 2A disclosure document. Management and performance of individual accounts may vary for reasons that include the existence of different implementation practices and model requirements in different investment programs.

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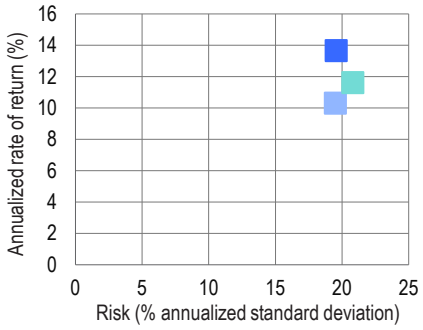
Important Performance Calculation

Performance for the Royce Small-Cap Premier Quality SMA Strategy is represented by the Royce Small-Cap Premier Quality SMA Composite performance. Prior to April 1, 2018, the composite included non-wrap accounts. Beginning April 1, 2018 (inception of the first SMA/wrap account), the composite only includes wrap accounts. Prior to January 1, 2008, performance results were calculated using the gross performance of Investment Class shares of a 1940-Act Fund. The gross performance of the Fund is unaudited, presumes reinvestment of distributions and excludes investor-specific sales. The net-of-fees performance for the Royce Small-Cap Premier Quality SMA Strategy would be lower than the gross performance of the Fund. Royce follows substantially the same investment philosophy, strategies and processes in managing the Royce Small-Cap Premier Quality SMA as it does in managing the 1940-Act Fund. Unlike the Fund, however, the SMA does not invest in non-U.S. Securities. The performance of the SMA will vary from the performance of the Fund because the SMA does not invest in any non-U.S. Securities, and due to differences in cash flows and other factors. Past performance does not guarantee future results.

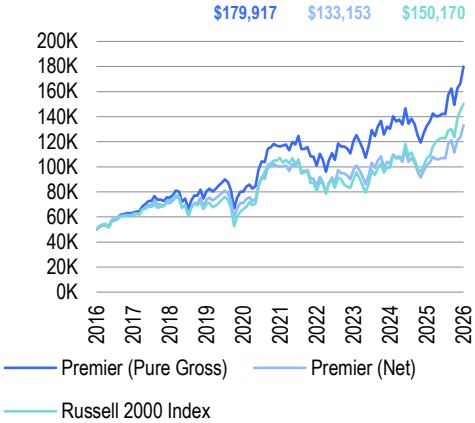
Performance Statistics [1] Preliminary (based on 10-year period ending June 30, 2026)

Risk/Return profile (%)



Premier (Pure Gross)	
Annualized Return (%)	13.66
Annualized Standard Deviation (%)	19.56
Premier (Net)	
Annualized Return (%)	10.29
Annualized Standard Deviation (%)	19.52
Russell 2000 Index	
Annualized Return (%)	11.62
Annualized Standard Deviation (%)	20.83

Growth of $50,000*



[1] Source: Franklin Templeton.

*For illustrative purposes only. Assumes no withdrawals or contributions. These statistics are based on pure gross and net-of-fees quarterly composite returns, were calculated assuming reinvestment of dividends and income, and take into account both realized and unrealized capital gains and losses.

Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns is reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios) which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

Terms and definitions:

Dividend yield is determined by dividing a stock's annual dividends per share by the current market price per share. Dividend yield is a financial ratio that shows how much a company pays out in dividends. **Dividend yield is calculated without the deduction of fees and expenses.**

P/E (Year 1) is the previous day's closing price of the stock divided by the consensus earnings per share (EPS) of fiscal year 1 (FY1) provided by I/B/E/S. Forecasts are inherently limited and should not be relied upon as indicators of future performance.

The **price-to-book ratio (P/B)** is a stock's price divided by the stock's per share book value. Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share of a common stock.

Weighted median market capitalization represents the value at which half the portfolio's market capitalization weight falls above, and half falls below.

Weighted average market capitalization represents the average value of the companies held in the portfolio. When that figure is weighted, the impact of each company's capitalization on the overall average is proportional to the total market value of its shares.

Market capitalization measures the number of outstanding common shares of a given corporation multiplied by the latest price per share.

Standard deviation measures the risk or volatility of an investment's return over a particular time period; the greater the number, the greater the risk.

The **up-capture ratio** measures the manager's overall performance to the benchmark's overall performance, considering only quarters that are positive in the benchmark. An up-capture ratio of more than 100 indicates a manager who outperforms the relative benchmark in the benchmark's positive quarters.

The **down-capture ratio** is the ratio of the manager's overall performance to the benchmark's overall performance, considering only quarters that are negative in the benchmark. A down-capture ratio of less than 100 indicates a manager who outperforms the relative benchmark in the benchmark's negative quarters and protects more of a portfolio's value during down markets.

Alpha is a measure of performance vs. a benchmark on a risk-adjusted basis. A positive alpha of 1.0 means the portfolio has outperformed its benchmark index by 1%. Correspondingly, a similar negative alpha would indicate an underperformance of 1%. Alpha is a measure of the difference between actual returns and expected performance measuring sensitivity to index movements.

Beta measures the sensitivity of an investment to the movement of its benchmark. A beta higher than 1.0 indicates the investment has been more volatile than the benchmark and a beta of less than 1.0 indicates that the investment has been less volatile than the benchmark.

Sharpe ratio is a risk-adjusted measure, calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better a portfolio's historical risk-adjusted performance.

R-squared measures the strength of the linear relationship between a portfolio and its benchmark. R-squared at 1.00 implies perfect linear relationship and zero implies no relationship exists.

The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe. Source: FTSE.

What are the risks?

All investments involve risks, including possible loss of principal. Small- and mid-cap stocks involve greater risks and volatility than large-cap stocks. To the extent the portfolio invests in a **concentration of certain securities, regions or industries,** it is subject to increased volatility**. Equity securities** are subject to price fluctuation and possible loss of principal. **Liquidity risk** exists when securities or other investments become more difficult to sell, or are unable to be sold, at the price at which they have been valued. The **investment style** may become out of favor, which may have a negative impact on performance.

Important Information

Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy or type of retirement account. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional.

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